



474005

mobilization - PD2




UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 5  
77 WEST JACKSON BOULEVARD  
CHICAGO, IL 60604-3590

REPLY TO ATTENTION OF:  
SE-5J

**DATE:** December 18, 2009

**SUBJECT:** Certification of Eligible Disbursement Request - Allied Paper/Portage Creek/Kalamazoo River Superfund Site, and Request for Disbursement from Special Account (059B\_05)

**FROM:** Sam Borries, On-Scene Coordinator   
Emergency Response Branch 2 - Section 3

**TO:** Linda Haile, Accountant and Richard Hackley, Chief  
Program Accounting and Analysis Section

Dale Meyer, Regional Comptroller  
Comptroller Branch

This disbursement involves the Allied Paper/Portage Creek/Kalamazoo River Superfund Site, Site No. 059B-05, in Allegan and Kalamazoo Counties, Michigan.<sup>1</sup>

On June 8, 2009, an Administrative Settlement Agreement and Order on Consent for Removal Action (Settlement Agreement) was entered into between the U.S. Environmental Protection Agency (U.S. EPA) and Respondents (V-W-'09-C-925) pursuant to Sections 104, 106(a), 107 and 122 of CERCLA. Among other provisions in the Settlement Agreement, such as completion of the remedy, EPA shall disburse funds from the Allied Paper, Inc./Portage Creek/Kalamazoo River special account to the Respondent in accordance with the procedures and milestones for phased disbursement as indicated below.

The funds in the Kalamazoo River Special Account<sup>2</sup> derive from settlements with Plainwell Inc. and Weyerhaeuser, two non-performing Potential Responsible Parties (PRPs) who at one time owned the Plainwell Mill, and who Region 5 currently believes, jointly account for approximately 10% of the paper-production on the Kalamazoo River.

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<sup>1</sup> Acct. info. 2009/TR2/05F/302EC7/BOC36/059B(UZ)05

<sup>2</sup> The Kalamazoo River Special Account currently contains approximately \$13 million. However, up to \$6.2 million of these funds will be paid to Weyerhaeuser Company under the terms of its settlement with the United States (Feb. 15, 2005). Additionally, we have agreed to disburse \$1.5 million to PRPs performing the work on the Plainwell Impoundment pursuant to the 2007 AOC for time-critical removal action.

The use of the special account funds for this purpose is consistent with both U.S. EPA guidance and the Weyerhaeuser consent decree, *i.e.* to fund response work on the Kalamazoo River. It is therefore appropriate that monies collected by U.S. EPA from settlements with former and current owners of the Plainwell Mill be used to fund cleanup activities on the Kalamazoo River.

Paragraph 39 of the Settlement Agreement requires U.S. EPA to disburse funds from the Kalamazoo River Special Account to Respondents in accordance with the following milestones:

- |    |  |   |
|----|--|---|
| 1. | U.S. EPA written notice that all Work associated with mobilization has been  | \$100,000 of the funds in the Special Account   |
| 2. | U.S. EPA written notice that all Work associated with the first year of construction has been completed successfully | \$1,000,000 of the funds in the Special Account |
| 3. | U.S. EPA Notice of Completion of the Work  | \$900,000 from the Special Account              |

U.S. EPA has received cost summaries and certifications for this first milestone. U.S. EPA has previously provided Respondents written notice that the first milestone, mobilization, have been successfully completed. U.S. EPA has reviewed the cost summaries and certification provided by the Respondents and finds them acceptable. Therefore, it is recommended that the Region make arrangements to make payment in the amount of \$100,000 from the Special Account<sup>3</sup> via wire transfer to the following account (from Settlement Agreement):

Bank: JP Morgan Chase  
Bank City & State: Chicago, IL  
ABA# 021-000-021  
Swift: CHASU33  
Account Name: Georgia-Pacific Financial Management LLC  
Account #: 59-50945  
Reference: Kalamazoo Disbursement Fund

Please contact Sam Borries, OSC at (312) 353-8360, or Leslie Kirby-Miles, ORC, at (312) 353-9443, if you have any questions concerning the above.

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<sup>3</sup> Special Account No.- 059B(UZ)05



November 19, 2009

Georgia-Pacific LLC  
Law Department

133 Peachtree Street NE (30303-1847)  
P.O. Box 105605  
Atlanta, Georgia 30348-5605  
(404) 652-7497  
(404) 584-1461 fax  
www.gp.com

**J. Michael Davis**  
Assistant General Counsel  
Environmental

**VIA FEDERAL EXPRESS**

Leslie A. Kirby-Miles  
Associate Regional Counsel  
U.S. EPA – Region V  
Office of Regional Counsel C-14J  
77 W. Jackson Blvd.  
Chicago, IL 60604

**Re: Plainwell Dam #2**

Dear Ms. Kirby-Miles:

Enclosed please find the Plainwell Dam #2 Milestone Memoranda and invoice backup. Please let me know if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read 'J. Michael Davis'.

J. Michael Davis  
Assistant General Counsel – Environmental

JMD/rd

Enclosures

cc: Eileen L. Furey

*mobilization  
milestone  
PD2*



Georgia-Pacific LLC  
133 Peachtree Street NE  
Atlanta, Georgia 30303  
(404) 652-5090  
(404) 749-9270  
www.gp.com

**Tyler L. Woolson**  
**Senior Vice President and**  
**Chief Financial Officer**

November 18, 2009

Leslie A. Kirby-Miles  
U.S. EPA Region 5  
Office of Regional Counsel  
77 W. Jackson Blvd.  
Mail Code C-14J

**Re: Kalamazoo River Superfund Site/Plainwell Dam #2**  
**Docket No. V-W-09-C-925**

Dear Ms. Kirby-Miles:

To the best of my knowledge, after an investigation and review of Respondents' documentation of costs incurred and paid for Work performed pursuant to this Settlement Agreement up to the date of completion of milestone 1, I certify that the information contained in or accompanying this submittal is true, accurate, and complete. I am aware that there are significant penalties for knowingly submitting false information, including the possibility of fine and imprisonment.

Sincerely,

A handwritten signature in dark ink, appearing to read "Tyler L. Woolson", written over a horizontal line.

Tyler Woolson  
Senior Vice President and  
Chief Financial Officer

TW/rd



**PRIVILEGED AND CONFIDENTIAL  
PREPARED AT THE REQUEST OF COUNSEL**

ARCADIS  
10559 Citation Drive  
Suite 100  
Brighton  
Michigan 48116  
Tel 810.229.8823  
Fax 810.229.8837

**MEMO**

To:  
Tyler Woolson  
Senior Vice President and  
Chief Financial Officer,  
Georgia-Pacific LLC

Copies:  
J. Michael Davis, Georgia-Pacific LLC  
Garry Griffith, Georgia-Pacific LLC  
Chase Fortenberry, Georgia-Pacific LLC  
Rick Difiore, ARCADIS  
Doug Cowin, ARCADIS  
Steve Garbaciak, ARCADIS  
Michael Erickson, ARCADIS

From:  
Matthew Bowman, ARCADIS

Date:  
October 30, 2009

ARCADIS Project No.:  
B0064536.0001

Subject:  
Mobilization Milestone Completion and Associated Costs  
Plainwell No. 2 Dam Area Time-Critical Removal Action (TCRA)  
Plainwell, Michigan

The purpose of this memorandum is to provide written cost summary and confirmation that the mobilization milestone of the project work – as described in Paragraph 39.b. of the Administrative Settlement Agreement and Order of Consent for Removal Action, Docket No. V-W-09-C-925 (AOC) – has been completed for the Plainwell No. 2 Dam Area Time-Critical Removal Action (TCRA) in Plainwell, Michigan. This memorandum is intended to provide Georgia-Pacific LLC (Georgia-Pacific) with documentation to support the Cost Summary and Certification – this certification must be submitted to secure funds from the Plainwell Impoundment Area Disbursement Special Account.

On September 21, 2009 United States Environmental Protection Agency (USEPA) representatives visited the Plainwell No. 2 Dam Area project site to document the completion of mobilization activities. On September 23, 2009, USEPA submitted a memorandum to ARCADIS and Georgia-Pacific approving completion of mobilization activities, which included the mobilization of equipment, personnel, and materials associated with the construction management. As a part of these efforts, support areas for refuse, sanitation, office work, material staging, and refueling services were established in the project area. Mobilization activities were conducted between July 2, 2009 and September 20, 2009 (the last work day before the September 21, 2009 USEPA site visit and the determination that mobilization was complete). All costs incurred during this time are directly related to mobilization activities. The costs summarized in this memorandum are based on invoices submitted to Georgia-Pacific by ARCADIS. Invoices include all costs for work performed by ARCADIS and associated subcontractors and the 5% ARCADIS markup on subcontractor invoices.

# ARCADIS

## **PRIVILEGED AND CONFIDENTIAL PREPARED AT THE REQUEST OF COUNSEL**

As required in Paragraph 39 of the AOC, mobilization costs associated with the Plainwell No. 2 Dam Area TCRA are summarized below.

- Invoice 0290098; Dated 09/17/2009 ..... \$246,426.13
- Invoice 0294330, Dated 10/26/2009 ..... \$1,064,071.31
  - Invoice 0294330 less work performed 09/21-09/27<sup>1</sup> ..... -\$129,005.51

**Total ..... \$1,181,491.93**

I have reviewed all invoices and can confirm that all the charges and costs contained in the invoices are directly related to the Plainwell No. 2 Dam Area TCRA and have been paid. Copies of the invoices are included as electronic attachments.

For questions or comments concerning this memorandum, please contact me by phone at 989.277.4852.

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<sup>1</sup> Since USEPA declared mobilization complete on September 20, 2009 the charges incurred between September 21 and September 27, 2009 (a total of \$129,005.51) were subtracted from the total amount of Invoice 0294330. These charges – for work (\$22,918.69), expenses (\$4,606.15), and subcontractor costs (\$101,480.67) – are considered to be part of the first year of construction.



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 5  
77 WEST JACKSON BOULEVARD  
CHICAGO, IL 60604-3590

REPLY TO THE ATTENTION OF:

SE-5J

September 23, 2009

Steve Garbaciak, Jr. P.E.  
Vice-President  
ARCADIS - BBL Inc.  
30 West Monroe, Suite 1710  
Chicago, Illinois 60603-2404


Re: Completion of Work Associated With Mobilization at the Allied  
Paper/Kalamazoo River Superfund Site, Plainwell No. 2 Dam Time-Critical  
Removal Action

Dear Steve:

The Allied Paper/Portage Creek/Kalamazoo River Superfund Site Administrative Settlement Agreement and Order on Consent for Removal Action (Docket No. V-W-09-C-925) (Order), required the United States Environmental Protection Agency (U.S. EPA) to create a Plainwell Dam #2 Disbursement Special Account. Paragraph 39.b of the Order, discusses the timing, amount and method of disbursing funds from this special account, and states that U.S. EPA shall disburse funds from the special account when certain milestones are completed. On September 21, 2009, U.S. EPA visited the Plainwell No. 2 Dam Site and determined that all work associated with mobilization has been completed. Pursuant to Paragraph 39.c of the Order, U.S. EPA is providing written notification that all work associated with the first milestone, mobilization, has been completed successfully for the Plainwell No. 2 Dam Time-Critical Removal Action.

If you have any questions or concerns regarding this letter, please do not hesitate to contact me at (312) 886-4592.

Sincerely,

  
Mike Ribordy  
On-Scene Coordinator

cc: Paul Buckholtz, MDEQ  
Sam Borries, U.S. EPA  
Jim Saric, U.S. EPA  
Leslie Kirby-Miles, USEPA